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Proposed Counsel to the GK8 Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:)	Chapter 11
CELSIUS NETWORK LLC, <i>et al.</i> , ¹)	Case No. 22-10964 (MG)
)	
Debtors.)	(Jointly Administered)
)	

**DECLARATION OF MELISSA WORKMAN IN SUPPORT OF
THE DEBTORS' OBJECTION TO DANIEL A. FRISHBERG'S MOTION
FOR RECONSIDERATION OF GK8 SALE AND OTHER REQUESTED RELIEF**

I, Melissa Workman, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information, and belief.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

1. I am a Senior Director of Operations of certain of the above-captioned debtors and debtors in possession (collectively, the “Debtors”).² Previously, I served as the Head of Global Mobility of NCR Corporation where I engaged in service delivery design, program strategy and policy development, among other things. Before that, I served as a Director of International Client Services at Graebel Companies, Inc. I hold a bachelor’s degree in history from Bucknell University.

2. I am generally familiar with the GK8 Debtors’ (as defined herein) day-to-day operations, business, and the sale of GK8 Assets. Except as otherwise indicated, all facts in this declaration (this “Declaration”) are based upon my personal knowledge, my discussions with other members of the GK8 Debtors’ management team and advisors, my review of relevant documents and information concerning the GK8 Debtors’ operations, or my opinions based upon my experience and knowledge. I am over the age of eighteen and authorized to submit this Declaration on behalf of the GK8 Debtors. If called upon to testify, I could and would testify competently to the facts set forth in this Declaration.

3. I submit this Declaration in support of the *Debtors’ Objection to Daniel A. Frishberg’s Motion for Reconsideration of GK8 Sale and Other Requested Relief*, filed contemporaneously herewith, and to inform the Court and other parties in interest as to factual background surrounding Debtors GK8 Ltd., GK8 USA LLC, and GK8 UK Limited (collectively,

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the *Order (I) Approving the Sale of the GK8 Debtors’ Assets Free and Clear of All Claims, Liens, Rights, Interests and Encumbrances, (II) Authorizing the GK8 Debtors to Enter Into and Perform Their Obligations Under the Asset Purchase Agreement, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief* [Docket No. 1686] or *Declaration of Christopher Ferraro, Director and Chief Financial Officer of GK8 Ltd., in Support of Chapter 11 Petitions and First Day Motions* [Docket No. 1629], as applicable.

the “GK8 Debtors”) referral arrangement with insurance brokers Aon plc (“Aon”) and USI Insurance Services (“USI”).

The Aon and USI Referral Arrangements

4. Prior to the Initial Debtors’ purchase of the GK8 Debtors in October of 2021, in July of 2020, the GK8 Debtors announced that they had entered into an arrangement with insurance broker, Aon, whereby the GK8 Debtors would refer their institutional customers to Aon, and, in turn, Aon would facilitate the underwriting of insurance policies between the GK8 Debtors’ customers and certain insurers in the London insurance market. Because Aon is not an insurance company, but an insurance broker, the GK8 Debtors’ customers who were referred to Aon under this arrangement were required to complete an independent application with the underwriting insurance company. Those applications would be reviewed by the insurer’s underwriting team, and the particular insurance company reserved the right, in its sole discretion, to issue any policies to any referred customer.

5. Initially, Aon advised the GK8 Debtors that they could access up to \$500 million in capacity in the London market, but I understand that capacity was later increased to \$750 million. I further understand that no Debtor in these chapter 11 cases, including the GK8 Debtors, ever purchased any insurance policy under the referral arrangement with Aon.

6. In October of 2022, the GK8 Debtors entered into a similar arrangement with another insurance broker, USI, which allows the GK8 Debtors’ customers to easily access up to \$1 billion of dedicated insurance from third-party insurance companies. Under the arrangement with USI, the GK8 Debtors refer their customers to USI, which in turn facilitates the customer’s ability to procure insurance via third-party insurers against theft of their assets on the GK8

Debtors' platform. Again, I understand that no Debtor in these chapter 11 cases, including the GK8 Debtors, ever purchased any insurance policy under the referral arrangement with USI.

7. Furthermore, as indicated in the below screenshots, the referral arrangements are conspicuously disclosed on the GK8 Debtors' website at <https://www.gk8.io/>:





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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Alpharetta, Georgia
Dated: January 17, 2023

/s/ *Melissa Workman*

Name: Melissa Workman
Title: Senior Director of Operations